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Davis no 2

(From the Congressional Record.)

INCREASE OF THE PUBLIC DEBT EXPOSED.

SPEECH

OF

HON. HENRY G. DAVIS

OF WEST VIRGINIA,

Delivered in the United States Senate, August 4, 1876.

Mr. DAVIS. Mr. President, I shall be as brief as the subject will permit. It will be remembered by the Senate that in the early part of the present session, in the month of January, I introduced a resolution which asked in substance that, owing to material alterations and discrepancies appearing in the statements of the public debt, expenditures, and receipts of the Government, as contained in the official finance reports to Congress, a special committee be appointed to investigate the books and accounts of the Treasury Department, particularly with reference to such alterations and discrepancies, which, after extended debate, was defeated by a party vote, (the republicans voting solidly against it,) and a substitute adopted, by a like party vote, modifying the resolution to the effect of compelling its reference to the Finance Committee, instead of a special committee of the Senate. I will not stop to notice the reasons that actuated the dominant party in the Senate in refusing to allow this investigation by a special committee. They were then well understood, as they are now. In what I now have to say I shall confine my remarks to the annual official reports to Congress, which ought to agree with the books of the Treasury Department, and the facts and figures I shall use I am prepared to show are taken from said reports.

In the remarks made by me, and figures cited in support of the resolution, I think it can be safely said that it was established from the official finance reports that there had been changes, alterations, and discrepancies made in the annual statements of the public debt, expenditures, and receipts of the Government, and particularly in the reports for the years 1869, 1870, and 1871; that, as an example of these changes and differences, the finance report for the year 1870 states the total annual expenditures of the Government for the years from 1861 to 1866, inclusive, to be \$3,271,970.43 more than the finance report for the year 1869 states them to be, and that for the single year 1865 the finance report for the year 1870 states the expenditures to be nearly \$9,000,000 more than the report of 1869 and previous reports state them to be; that like differences, changes, and alterations exist in the finance reports for 1869 and 1870 as to the pension, war, naval, and Indian expenditures, the same amounting to millions of dollars, and in all the examples cited the finance report for 1870 increases the expenditures over the amounts they are stated to be in the finance reports for 1869 and the reports for the previous years; that after the revenue for certain years had been collected, determined, and reported at certain and fixed amounts, and carried for years as such in the various finance reports, it was in subsequent reports altered and changed to smaller amounts, as in the year 1862

the annual revenue collected was stated in that year to have been \$51,935,720.76, and continued to be reported at these same figures in all the annual finance reports from 1862 to 1870, a period of nine years, when, for some strange, unknown, and unexplained reason, this amount was changed and stated in the annual finance report for 1870 to be \$51,907,944.62, making a difference and decreasing the revenue for that year \$27,776.14.

Again, the finance report for the year 1863 states that the revenue derived from loans and Treasury notes for that year was \$756,489,905.57, and the report for 1864, the year succeeding, states it to be \$776,682,361.57, which amount remains as the revenue for that year from loans and Treasury notes, and is carried in all the reports from 1864 to 1869 at these figures, when it is found that in the finance report for 1870 for some reason this amount is also changed, and the revenue from loans and Treasury notes for the year 1863 is stated to be \$814,925,494.96, and in the report for 1875, \$717,284,707.01, the four statements for the same year, 1863, differing from \$20,000,000 to \$96,000,000, rendering it impossible to place full confidence in either of the finance reports named or to ascertain with any degree of accuracy from them the amount of revenue realized. It has been established that the finance report for the year 1871 and subsequent reports state the public debt differently from what it is stated in the finance report of 1870 and all previous reports, and for the nine years commencing with 1862 and ending with 1870 the finance report of 1871 increases the public debt over the report of 1870 for the same years in the aggregate \$248,960,352.94; and, further, that while Secretaries Chase, Fessenden, and McCulloch stated the public debt for the year 1862 to be \$514,211,371.92, in which the Register of the Treasury agreed, and this amount stood on all the annual statements of the public debt in each of the finance reports from 1862 up to 1870, never was contradicted, and was always taken and acted upon as the public debt for that year, yet the Secretary of the Treasury, in the finance report for 1871, in the face of the action of his three distinguished predecessors and against all previous reports, and without explanation, and as I believe without any right or authority, stated the public debt for the year 1862 to be \$524,176,412.13, thereby not only changing and altering it from what it had always been reported, but increasing it nearly \$10,000,000.

RIGHT TO MAKE CHANGES IN REPORTS DENIED.

The right, law, and propriety of making these and other alterations in the finance reports I denied in my former remarks, and now deny.

It is conceded by all that the changes and alterations pointed out by me existed; that I made no misstatement of facts; that I drew all the figures I used from the official finance reports and from no other source; and about the only answer made is an attempted explanation by the free use of strange figures and strange facts nowhere to be found in the finance reports or any official information given to Congress or the country.

In the debate referred to some of the leading Senators friendly to the Administration, aided by all the assistance and statements the Treasury Department could render, attempted to explain some of the changes, alterations, and discrepancies pointed out by myself, but in the main failed, the distinguished chairman of the Committee on Finance having one theory and one set of figures to aid his explanation, while the Senator from Massachusetts [Mr. BOUTWELL] had a somewhat different theory and different facts to support his.

I also asserted that if the Register of the Treasury should be asked whether or not the warrants in his office would sustain the finance reports to Congress and his books, he would answer they could not sustain both; and I believe the Treasurer will answer about the same and tell you balances have been forced; yet in the face of this declaration, now standing on the records of the Senate, I do not hear that any question has been asked by the Register or any other official to gain any information on this point. Is it or can it be that the friends of the Administration are afraid he will answer as I have indicated, and perhaps produce written authority for his action in making changes?

FINANCE COMMITTEE'S REPORT.

This brings me to the consideration of the report of the Finance Committee made on the 6th, printed and delivered to the Senate on the 17th of June. Before addressing myself to the details of this report, which I observe to be more voluminous than I had anticipated, and which contains a lengthy explanation of a part of the discrepancies pointed out by myself, I beg to submit generally that it must strike the impartial mind as a strange coincidence and

*Publ. needed
for 9 years*

circumstance that if the statements of the expenditures, receipts, and public debt, as found in the finance reports are true, agree with the books, and can and ought to be relied upon, why so much time and labor to explain them? Indeed, I might say if they were true, agreed with each other and the books, there could be no difference and therefore no explanation required. It may be asserted generally that the truth needs no explanation. A mere statement carries conviction without labor or effort; and I submit, what will not be denied by any one, that if changes, alterations, and discrepancies in the statements of a large corporation should continually appear, and it took great time, effort, and an expert to explain them, and then to many minds fail, the verdict of all right thinking people would be that such an institution, and particularly the statements of its business affairs, would not and could not be entitled to confidence; and, applying the same impartial rule to the statements and reports of the Treasury Department, the same result must follow. I will also observe that the report admits on its face that the committee made no such examination of the books and accounts of the Treasury Department and there came back a resolution, but have submitted a statement prepared in the Treasury Department.

The chairman of the committee, in his remarks made in the Senate on the 19th ultimo, admits he made no personal examination. And the distinguished Senator from New York, [Mr. KERNAN,] in the debate on the same day, says:

But the Senator from Massachusetts is correct in supposing that the matter was referred to a subcommittee consisting of the chairman and myself, and it is due to us to say that neither of us—I did not go, I am sure—ever went to the Treasury to examine these books, which would have taken time beyond anything we could think of bestowing; but the resolution was communicated to the Treasury Department and there came back a very large mass of statements and figures purporting to be explanations of the discrepancies complained of.

These Senators constituted the subcommittee appointed to investigate the books and accounts of the Treasury Department, and they admit that they made no examination of them; and I will add with entire confidence that neither did the Finance Committee nor the subcommittee at any time visit the Treasury Department and make any examination whatever of the books, accounts, and reports; and further, the report made to the Senate was never regularly acted upon nor adopted in full committee, and that no member thereof ever carefully read or examined it, except perhaps the chairman; and while it purports to be the report of the committee under the resolution, it is nothing more nor less than a statement of the Treasury Department defending itself.

It will be borne in mind that in the examination made by myself I have not enjoyed the friendly aid and sympathy of the Treasury Department or any of its officials and experts, so readily accorded the Senator from Massachusetts and the committee, to explain changes and discrepancies pointed out by me, but I have been compelled to rely entirely upon such facts and information as I could obtain from the finance reports.

REPORT ADMITS CHANGES AND ALTERATIONS.

Before proceeding to notice in detail the explanations contained in the report of the Finance Committee, I will cite certain extracts from it to show that it admits there have been changes and alterations made in the statements of the public debt, revenue, and expenditures contained in the finance reports to Congress from year to year. I deem this important, because although I have shown from the reports themselves that certain statements have been changed, yet it has been denied.

On page 9 of the report the committee, after speaking of the examination of the public debt from the year 1836, quoting from the finance report of 1871, say:

A part of the differences has arisen from a want of knowledge and care on the part of subordinate clerks in stating loan accounts, but much the larger proportion has occurred from a want of unity, system, and proper method in the accounts as heretofore kept in the Department.

Then follows a letter of the Assistant Secretary of the Treasury.

This letter is set out in the report, occupies two full pages, 10 and 11, and nearly all of it is devoted to explaining the discrepancies in the different statements of the public debt for the year 1869, there being four distinct statements, all different, as follows:

Finance report for 1869, page 19.....	\$2,656,603,955 73
Monthly debt statement, July 1, 1869.....	2,645,170,294 16
Finance report, 1870, (June 30, 1869,) page 25.....	2,588,452,213 94
Finance report, 1870, (by the Register,) page 276.....	2,489,002,480 58

These differences varying from eleven to one hundred and sixty-seven million dollars.

It is submitted, if it takes two pages of printed matter for an Assistant Secretary of the Treasury, with all the facts before him and all the information in the Department at his command, to explain the differences that exist in the statements of the public debt for a single year, it becomes simply impossible for a person outside of the Treasury and relying solely on the finance reports to even approximate to what the public debt is for a given year.

In this letter, near its close, the Assistant Secretary, in speaking of these differences and discrepancies, says :

They arose from a system of book-keeping which was defective, and which has been of late years greatly improved.

The committee, on page 12, submit as a part of their report a letter from Secretary Bristow, bearing date May 4, 1876, to the chairman of the Committee on Finance touching the resolution introduced by myself, in which he says :

In reply, I have the honor to transmit herewith certain tabular statements and memoranda explaining the discrepancies referred to.

On page 13 of the report, the Secretary, in the same letter, says :

Some of the discrepancies referred to have actually existed for many years, in fact commencing with some of the accounts of the first loans issued by the Government, and period an examination into the subject was begun, and changes were then made in the published statements as the result of such examination.

Here, Senators, you have from the Secretary of the Treasury, adopted by the Finance Committee, the unequivocal admission that in 1870 and 1871 wholesale changes were made in the published statements of the public debt, expenditures, and receipts.

Further on, under the head of *public debt*, he says :

In 1871 this account was restated from 1836 from the receipts and expenditures.

And he also says :

When this examination was completed the Register was directed to state his accounts accordingly.

Here we have another important admission ; that the Register was directed to state his accounts, not from his books, not from the warrants in his office, not in his own way, but to force balancees according to a statement sent from the Secretary of the Treasury.

On page 16 of the report Secretary Bristow, in the same letter, says :

The year 1869 was the first of Secretary BOUTWELL's administration, who remodeled the debt statement, and, I add, increased it many millions.

These extracts from the report of the committee establish the following important admissions and facts :

First. That discrepancies and differences do exist in the statements of the public debt, receipts, and expenditures made by the Treasury Department to Congress.

Second. In 1870 and 1871 certain changes reaching as far back as the year 1835 were made in the published statements to Congress of the public debt, receipts, and expenditures of the Government.

Third. That after the examination made in the Secretary's office which produced these changes, the public debt in 1871 was "*restated and remodeled*," the Register of the Treasury, the official book-keeper of the accounts of the Government, a high officer, whose duty is defined by law, *was arbitrarily directed to make his statements conform to them*, thereby increasing the public debt millions.

Fourth. That in 1870 the Secretary of the Treasury "*remodeled*" the public debt statement, largely increasing it.

And herein at last we have the reasons given why it is impossible to gain accurate information from the published statements of the Treasury Department as to what the public debt, receipts, and expenditures of the Government are for a given year, and why it is that the reports for the same year do not agree.

But, Mr. President, this is not all. This going back and changing the published statements of the Treasury Department for more than thirty years has not only led to inextricable confusion, but puts it beyond the power of any one to tell whether or not a proper disposition has been made of the public funds or fraud has been committed ; and it is only the charitable, in the face of the fact that these changes have largely increased the public debt, who will agree no harm has been done and no frauds perpetrated and no money misapplied.

Again, sir, I wish to state that the changing of the official published statements of the Treasury Department that have stood for years, for any reason whatever, appears to me a bold and unwarranted assumption of power. These

statements were sacred beyond the touch of any officer of the Government, and could not be interfered with, changed, or altered except by an act of Congress assigning the reasons therefor, and even this power is doubtful. Yet we find one Secretary acknowledging that another "remodeled" the *public-debt statement* at his own instance, and not in pursuance of any law. This power that one Secretary may change the statements made by his predecessors conceded, uncertainty reigns, the road becomes directly open to fraud, and confidence must cease to exist; and yet this is just what has been done and admitted by the officers of the Treasury Department and the Finance Committee in their report.

REVIEW OF REPORT.

On page 16 of the report we find the explanation made by the Treasury Department and adopted by the committee of some of the discrepancies and differences pointed out by myself. The first is as to the differences in the finance reports of 1869 and 1870 as to the total annual expenditures of the Government from 1860 to 1866, inclusive, and I read it at length, that it may be fully understood:

The total annual expenditures are stated in the finance report of 1869		The total annual expenditures are stated in the finance report of 1870	
321, as follows:		275, as follows:	
1860-'61	\$85,383,713.08	1860-'61	\$85,387,363.08
1861-'62	570,841,700.25	1861-'62	565,667,358.08
1862-'63	895,796,630.65	1862-'63	899,815,911.25
1863-'64	1,296,144,656.00	1863-'64	1,295,541,114.86
1864-'65	1,897,674,224.09	1864-'65	1,906,433,331.37
1865-'67	1,141,672,666.09	1865-'66	1,139,344,081.95
Total	5,888,917,190.16	Total	5,892,199,160.59
		Difference or increase ...	3,271,970.43

Which is explained as follows, namely:

Typographical error in finance report for 1869 in the amount of the total expenditures for the year 1861-'62	\$50 00
Trust fund excluded from the finance report of 1869, namely:	
1862-Chickasaw fund	\$20,000.00
Choctaw schools	319.91
Navy pension fund	3,013.44
	23,333.35
Less repayment, Navy hospital fund	6,292.60
	17,040.75
(See Appendix B.)	
1863-Awards	3,043.31
Cherokee schools	13,065 87
Navy pension fund	3,162.04
Kansas schools	600.00
Navy hospital fund	10,858.37
	30,729.50
(See Appendix C.)	
1865-Navy pension fund	7,047,200.65
Chickasaw fund	122,256.96
Cherokee schools	4,692.42
Choctaw schools	21,610.30
Kansas schools	1,312.50
Navy hospital fund	45,169.17
	7,242,242.00
(See Appendix E.)	
Total	7,290,062.34
From which deduct outstanding warrants:	
July 1, 1866, per "receipts and expenditures," 1866, page 356	4,484,555.03
Less the amount outstanding July 1, 1861, per "receipts and expenditures," 1861, page 335	466,463.12
	4,018,091.91
Difference explained	\$3,271,970.43

Now, I submit that this falls far short of an explanation. Indeed, it cannot be regarded as an explanation at all.

In my remarks I set up the figures from both reports and gave the total difference as to the years named, feeling that the difference as to each year would

be apparent, and any answer would explain each one of them; and for the purpose of making proper reply to this explanation I will now show the difference in each year, increase or decrease, as the case may be, as follows:

Years.	Total annual expenditures as stated in finance report for—		Increase in report of 1870 over 1869.	Decrease in report of 1870 over 1869.
	1869 and previous reports.	1870 and subsequent reports.		
1860-'61	\$85,387,313 08	\$85,387,363 08	\$50 00	.....
1861-'62	570,841,700 25	565,667,358 08	.....	\$5,174,342 17
1862-'63	895,796,630 65	899,815,911 25	4,019,280 60	.....
1863-'64	1,298,144,656 00	1,295,541,114 86	.....	2,603,541 14
1864-'65	1,897,674,224 09	1,906,433,331 37	8,759,107 28	.....
1865-'66	1,141,072,666 09	1,139,344,081 95	.....	1,728,584 14
Total	5,888,917,190 16	5,892,189,160 59	12,778,437 88	9,506,467 45
Difference or increase .....	.....	.....	3,271,970 43	.....

Now, the objection to the explanation is that it disposes of only the year 1862, and is a typographical error, to which there is no answer. The difference between the two reports as to the year 1862 is \$5,174,342.17, of which the sum of \$17,040.75 is accounted for by excluding trust funds, and more than \$5,000,000 is left unaccounted for.

As to the year 1863, \$4,019,280.60, by the use of school and other funds there is explained of this amount \$30,729.59. What becomes of the other three million dollars and more no one can tell.

As to the year 1865, \$8,759,107.28, and by a similar use of school and trust funds of this amount there is explained only \$7,290,062.34, and nothing said of the other million.

It would have been more satisfactory if the Treasury Department and the committee had taken up these alarming differences in each year and explained them, if there was any explanation, and if there was none to have said so.

But the most notable defect in this explanation which accounts to a cent for the aggregate difference between the two reports is that it omits any mention of the difference as to the year 1864, which amounts to \$2,603,541.14. Yet, leaving out this sum, making no reference to it whatever, the Treasury Department and Finance Committee make their explanation of the aggregate differences between the reports for the years from 1861 to 1866 agree to a cent. How they could do this and omit the year 1864 with its large difference of more than two millions, defeats any hope of understanding.

It would delay the Senate too long for me to notice at length the other attempted explanations made of the discrepancies in the reports pointed out by myself as to the receipts and expenditures. I will cite two examples and pass on.

On page 17 of the report is the following:

In the report of 1870 the expenditures for pensions are stated for the year 1864-'65 at	\$16,347,621 34
In the report for 1869, for same year, at	9,291,610 48
Showing an increase in the report of 1870 over that of 1869 of	7,056,010 86
which is explained as follows:	
Amount paid from the Navy pension fund (Interior Department) for investment in Navy pension fund, (public debt,) per act of July 1, 1864, (13 Statutes, page 414, section 4753, Revised Statutes)	7,047,200 65
Excess of repayment carried to "Indians" per "receipts and expenditures" 1865, page 45	9,466 19
Less amount of outstanding warrants issued on this account, but not paid during the year. (See "receipts and expenditures" 1864, page 229, and 1865, page 276)	\$245 98
And error in classification carried to "Indians"	410 00
	655 98
Difference explained	7,056,010 86

The Senator from Massachusetts made the reports of 1869 and 1870 to Congress, and is responsible for both; yet one says the amount expended for pension was \$16,347,621.34 and the other \$9,291,610.48—increase over seven millions.

And on page 19 the following:

REVENUE COLLECTED.

In the finance report for 1863, the total revenue for the year, exclusive of loans and Treasury notes, is stated at.....	\$132,589,746 95
In the report for the year 1864, at \$112,687,290 95, which should be.....	112,697,290 95
Showing a difference in the two reports of.....	20,192 456 00
Which is the amount of receipts for that year from postal currency improperly included in the report for 1863 in the column of net ordinary revenue.....	20,192,456 00

These examples will indicate the manner and style of explanation, in each case different, showing that the discrepancies are not due to a change in making the statements or keeping the books of the Treasury Department. As to the explanation of revenue collected above cited, it is enough to condemn itself. A clerical error repeated for several years is made to account for a difference of more than \$20,000,000. In addition to this, the \$37,640,787.95 referred to in the explanation is the large sum that, owing to clerical errors, sometimes appears in the statements and and at times disappears, and yet no difference is noted in the total receipts.

But to this and all other explanations touching the revenue collected I will call to my aid the language of the committee in their report, which happily furnishes a full answer. On page 2 they say:

When money is covered into the Treasury it is under the safeguard of the law and the law.

As stated before, moneys covered into the Treasury cannot be again taken out, except through an appropriation; and even moneys erroneously covered in, as in case of customs or internal revenue, can only be recovered through an appropriation.

I fully agree with the committee. Money once collected and covered into the Treasury cannot without the action of Congress be taken out; yet in the examples I have cited I have shown that the revenue, after being reported for years, has been decreased \$50,000,000, without an appropriation or authority of any kind, and before I close I will show additional examples.

I make no further comment than to say that in this way generally the changes, differences, and discrepancies are explained. Figures and facts not in the reports and clerical errors are called in to aid the Department in explaining its own statements.

Nobody knows, and no one can tell but the officers of the Treasury Department without a thorough examination by an expert with full time and a proper examination, whether these strange figures are correct, and therefore no answer can be made to the explanations so far as the use of them is concerned. All will agree that the statements themselves should show the truth and the facts. As it is they do not.

PUBLIC DEBT.

It will be remembered that under this head I cited the statement of the public debt, as given in the finance reports of 1870 and 1871, for the years between 1862 and 1870, inclusive, and showed that the aggregate difference between these reports was \$248,960,352.94, and called attention to the large differences that existed between the reports as to each year. The Treasury Department and the committee make the following explanation, commencing on page 19 of the report and ending on page 20:

Changes in the public debt statement.

In the finance report for 1871, the Register states the public debt for the following years at—

1862.....	\$524,176,412 13	1868.....	\$2,611,687,851 19
1863.....	1,119,772,138 63	1869.....	2,588,452,213 94
1864.....	1,815,784,370 57	1870.....	2,480,672,427 81
1865.....	2,680,647,869 74		
1866.....	2,773,236,173 69	Total.....	19,272,555,561 57
1867.....	2,678,126,103 87		

In the report for 1870, for the same year, the debt is stated as follows:

1862.....	\$514,211,371 92	1868.....	\$2,636,320,964 67
1863.....	1,098,793,181 37	1869.....	2,489,002,480 58
1864.....	1,740,690,489 49	1870.....	2,386,358,599 74
1865.....	2,682,593,026 53		
1866.....	2,783,425,879 21	Total.....	19,023,595,208 63
1867.....	2,692,199,215 12		

Difference or increase, as shown by the honorable Senator from West Virginia, in the report of 1871 over 1870 of..... \$248,960,352 94

But this difference or increase, as thus shown, is erroneous. It is a comparison

of the sum of running balances, between which no intelligible comparison can be made. The proper way to make the comparison is to find the increase or decrease on each account for each year, and thus determine the aggregate increase on each account since 1861, the difference between which will be the true difference in the accounts.

The following will explain the difference :

Year.	Debt.	Increase.	Decrease.	Net increase.
<i>Receipts & expenditures.</i>				
1861.....		\$90,580,873 72		
1862.....	\$524,176,412 13	433,595,538 41		
1863.....	1,119,772,138 63	595,595,726 50		
1864.....	1,815,784,370 57	696,012,231 94		
1865.....	2,680,647,869 74	864,863,499 17		
1866.....	2,773,236,173 69	92,588,303 95		
1867.....	2,678,126,103 87		\$95,110,069 82	
1868.....	2,611,687,851 19		66,438,252 68	
1869.....	2,588,453,213 94		23,234,637 25	
1870.....	2,480,672,427 81		107,780,786 13	
		<u>2,773,236,173 69</u>	<u>292,563,745 88</u>	\$2,480,672,427 81
<i>Issues and redemptions.</i>				
1861.....		90,867,828 68		
1862.....	514,211,371 92	423,343,543 24		
1863.....	1,098,793,181 37	584,581,809 45		
1864.....	1,740,690,489 49	641,897,308 12		
1865.....	2,682,593,026 53	941,902,537 04		
1866.....	2,783,425,879 21	100,832,852 68		
1867.....	2,692,199,215 12		91,226,664 09	
1868.....	2,636,320,964 67		55,878,250 45	
1869.....	2,597,722,983 37		38,597,981 30	
1870.....	2,480,246,027 83		117,476,955 54	
		<u>2,783,425,879 21</u>	<u>303,179,851 38</u>	2,480,246,027 83
Difference.....				426,399 98

† In the Register's report for 1869 the outstanding public debt was published (as heretofore explained) as \$2,489,002,480.58

Which is the amount of the debt, less cash and sinking fund in the Treasury, to which should be added the amount of cash and sinking fund..... \$156,167,813.58

Less accrued interest..... 47,447,310.79

108,720,502.70

To give the principal of the debt July 1, 1869..... \$2,597,722,983.37

‡ In the same report for 1870 the outstanding public debt was again published as..... 2,386,358,599.74

To which should be added the amount of cash and sinking fund..... 144,494,984.61

Less accrued interest..... 50,607,556.52

93,887,428.09

To give the principal of the debt July 1, 1870..... \$2,480,246,027.83

It will be observed that this explanation reduces the difference to \$426,399.98, and then explains the same away by various items and figures not found in the reports.

In order to show the difference between the reports for each year, I have prepared the following table :

Year.	Public debt as stated in the finance report for—		Increase.	Decrease.
	1871 and sub- sequent re- ports.	1870 and pre- vious reports.		
1862.....	\$524,176,412 13	\$514,211,371 92	\$9,965,040 21	
1863.....	1,119,772,138 63	1,098,793,181 37	20,978,957 26	
1864.....	1,815,784,370 57	1,740,694,489 49	75,093,881 08	
1865.....	2,680,647,869 74	2,682,593,026 53		\$1,945,156 79
1866.....	2,773,236,173 69	2,783,425,879 21		10,189,705 52
1867.....	2,678,126,103 87	2,692,199,215 12		14,013,111 25
1868.....	2,611,687,851 19	2,636,320,964 67		24,633,113 48
1869.....	2,588,452,213 94	2,489,002,480 58	99,449,733 36	
1870.....	2,480,672,427 81	2,386,358,599 74	94,313,828 07	
Total.....	19,272,555,561 57	19,023,595,208 63	299,801,439 98	50,841,087 04
Total difference or increase....			248,960,352 94	

which I submit is the only fair, proper, and intelligible way of ascertaining the difference between the two reports as to the public debt, and the mode adopted by the Department and Finance Committee is neither fair nor intelligible.

This table shows the difference in each year; for instance, taking the first year, 1861, the difference is nearly \$10,000,000. It seems to me the Treasury Department and committee should have explained this difference and then proceeded with the difference in each of the remaining years; but instead of this, by the free use of figures, they make up a fictitious aggregate difference of \$426,399.98, explain that away, and claim this explanation should account for an established and acknowledged difference of \$248,960,352.94 for the years named between the two reports.

But the theory adopted by the Department and committee is entirely unauthorized and unknown to any system of accounting in the world.

Admitting it to be true, it leads to absurdities. Take the last cited year, 1870, the difference between the two reports as to the public debt is above \$94,000,000. Now, this theory cannot be applied to explaining this difference, nor will it explain any single year.

But this is not all. This explanation attempts and claims to explain the difference that exists in the finance reports for 1870 and 1871 as to the public debt for the years included between 1861 and 1870; but in doing this it does not employ the figures found in the reports and used by myself. For instance, in the explanation under the head of "receipts and expenditures" the figures, with one exception, correspond to those used by myself, and are taken from the report of 1871, but under the head of "issues and redemptions" the figures from 1861 to 1868, inclusive, are taken from the finance report of 1870; but the figures for the years 1869 and 1870 are not those used by myself and taken from the report of 1870, but are manufactured for this explanation as the foot-note shows, and never did appear in any finance report made to Congress, as an examination of the last finance report of 1875 on pages 8 and 578 and all others will show.

Now, all will admit that in substituting an explanation of a difference or discrepancy between two reports the figures found in those reports must be used, and no others can be, and for this reason this explanation, admitting the theory to be true, becomes a failure and a farce and cannot be sustained.

Another objection: On examination of the explanation it will be seen it begins with the year 1861 and states the debt for that year at different amounts; for instance:

In report of 1871 at.....	\$90,580,873 72
In report of 1870 at.....	90,867,828 63

Difference.....	286,844 84
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for which the explanation does not account. These amounts, though differing, are added in the tables of increase.

But there is another equally fatal objection to this explanation, and condemns it as entirely unreliable.

Under the head of receipts and expenditures, page 20 of Finance Committee's report, it will be observed that, for the year 1869, the debt is stated at \$2,588,453,213.94. It should have been stated at \$2,588,452,213.94, the figures found in the finance report for 1871 and the table used by me. This must be the case, because all of the figures for the other years are taken from the finance report of 1871, and correspond exactly with this single exception. Now, this using of the figure "3" for the figure "2" makes a difference of \$1,000, which must affect every other part of the explanation, yet, notwithstanding this false figure or error making a difference of \$1,000, the explanation of the difference agrees to a cent, which is impossible if the balance of the explanation is based on facts.

Another significant fact suggests itself in connection with this explanation of the discrepancies in the public-debt statements made by the Treasury Department and adopted by the Finance Committee. It will be remembered, in the debate on the resolution, both the honorable Senator from Massachusetts and the distinguished chairman of the Finance Committee made explanations of these discrepancies, and though slightly differing, yet neither suggested the theory and explanation used in this report.

The explanation by the Treasury Department and Finance Committee of the differences and discrepancies pointed out by myself, commencing with the year 1836, is similar in theory to the one just referred to, and to which the same objections exist. I will therefore not detain the Senate to answer them in detail.

These objections to the explanation of the Finance Committee and Treasury Department are fatal, and more than sufficient to reject it. It is false in theory and cannot be sustained.

TRANSFER OF PACIFIC RAILWAY DEBT.

I will close the answer to the explanations contained in the report by referring to the discrepancy growing out of the transfer to another table of the Union Pacific Railway debt.

To the fact stated by myself that in 1870 the reduction of the public debt was due mainly to the transfer to another table of the Union Pacific Railway debt or bonds, and was not actual, the Treasury Department and Finance Committee make the following answer:

In reply to the charge that "in the year 1870 there was an apparent reduction of the public debt of over \$100,000,000, (according to the finance report,) but this reduction was in a great measure only apparent and due to a stroke of the pen, a mere transfer of about \$60,000,000 to another table, [that] the country gave credit to the administration for the large decrease of the public debt during this year, when, in fact, the larger part of it was due to the change in book-keeping and the Secretary's new tables," it is only necessary to state that the outstanding public debt on July 1, 1869, (see finance report of 1869, page 29,) was.....	\$2,656,603,955 73
From which was excluded the item of Pacific Railroad bonds.....	58,638,320 00
Leaving the amount.....	2,697,963,635 73
The outstanding debt on the 1st of July, 1870, (see finance report of 1870, page 44,) was.....	2,480,304,797 74
Which shows a decrease for the year, exclusive of the item of Pacific Railroad bonds, of.....	117,660,837 99

A brief examination of which will show it is not satisfactory, and I was right.

The Pacific Railroad bonds are included in the report and table referred to. (See report 1869, page 27.)

In the first place, the Finance Committee states the public debt for 1869 to be \$2,656,603,955.73, and cites the page in the report of 1869 to prove this. Now, this amount is not taken from the regular tables of the Secretary and Register showing the public debt for each year, found in all the finance reports, but is taken from a detailed statement of the public indebtedness for that year from all sources, and is not what is generally understood to be the "public debt."

For instance, on page 317 of the finance report for 1869 the public debt in the regular table is stated at \$2,489,002,480.58.

But for the purpose of answering this explanation I will take the public debt for 1869, as stated in the finance report of 1875, at page 9 the Secretary and at page 578 the Register states it to be \$2,588,452,213.94, and I will add that at pages 11 and 13, in the report of 1871, the Secretary, and at page 369 the Register, states the debt for that year at precisely the same figures, and I therefore take it it must be correct. Now, from this amount subtract the public debt for the year 1870, as stated by the committee and in the report for that

year, \$2,480,304,797.74, and we have \$108,147,416.20, and not \$117,660,837.99, even including the Pacific Railway debt, which amounts to \$58,638,320, and being excluded leaves \$49,509,096.20 as the actual reduction of the public debt for 1860.

FAILURE TO EXPLAIN ALTERATIONS.

Now, after more than four months' time, the Senator from Massachusetts, the Treasury Department, and the Finance Committee have utterly failed to explain why the finance reports do not agree or how it is that the expenditures of the Government have been largely increased and the revenue decreased, and from 1861 to 1870 inclusive the public debt has been increased \$248,960,352.94. I dismiss any further answer to the explanations of these alarming differences, firmly convinced, with the information now before the Senate, that there is and can be no satisfactory explanation or answer given why the expenditures and the public debt of the Government have been so largely increased.

There must be and is some cause for this fact which will come to light when a proper and fair examination of the affairs of the Treasury Department can be made.

As a Senator and a citizen anxious to uphold the public credit I had earnestly hoped that the discrepancies, changes, and differences pointed out by myself would be explained on the incoming of the report of the Finance Committee, which has been delayed nearly five months, and which time has been consumed in allowing the officials of the Treasury Department to defend their statements and make the explanations contained in the report of the committee, but I regret to say while the report admits the evils that exist yet it fails to answer them fully.

The Committee on Finance have only made a partial report under the resolution, owing I have no doubt to other pressing duties. They were required not only to investigate and ascertain if such differences and discrepancies existed, but to report the extent and nature thereof. They confined themselves, however, to attempting to explain the examples pointed out by myself, not even noticing all of them, although there are many others easily found.

These changes, differences, "restating," and "remodeling" of the official statements of the public debt, receipts, and expenditures, with all the doubt they cause and the evil they have produced, belong to the present administration; they have occurred, each and all of them, during the time it has had possession of the Government.

Before this time no changes were made and none were found bold enough to attempt to change facts and figures and the published statements of the Treasury Department. The system founded at the organization of the Government was sufficient to carry the Government through near three-fourths of a century of its existence, and was the admiration and pride of the Republic, but under the present Administration it is suddenly found insufficient, in part cast aside, and this too without law or authority, and changes in the public debt and expenditures are made which startle the country, and this too without reference or re-examination of the warrants or accounts of the Register, who is by law the official book-keeper of the Government.

RESPONSIBILITY FOR MAKING CHANGES AND FORCING BALANCES.

And the Senator from Massachusetts, in his remarks made on the 19th instant, says the changes made under his administration for the first time in the history of the Government stated the affairs of the Treasury Department accurately. He uses this language:

I also assert that during the four years that I administered the Treasury Department, for the first time in the history of the Government the books of the Department represented the exact state of public affairs.

Here is not only an impeachment of the system adopted by those who organized the Treasury Department, but the accuracy and efficiency of his distinguished predecessors are also called into question, among whom may be numbered the following distinguished names which adorn our history: Hamilton, Gallatin, Crawford, Rush, Taney, Woodbury, Corwin, Guthrie, Chase, and Fessenden. These were great men. Some of them the founders of our present financial system, which others have carried out with such great success. They will live in our history and be long remembered for their ability, fidelity, integrity, wise and efficient administration of public affairs, while it may be that the only claim to remembrance that the Senator from Massachusetts will enjoy will be the unenviable fame of changing the system, figures, reports, and official statement made by these great men and tearing down what they so faithfully built.

But the committee have not failed to mildly censure the Secretary in their report in the following language:

Your committee are not prepared to recommend any change in the mode of keeping or making public these accounts. The system is the growth of the experience of the Department since its organization, and it would be a very delicate and dangerous task to propose any change in this respect.

All will admit if there had been errors in the accounts and reports of the Treasury Department, which I question, it was the duty of the Secretary to refer them to Congress for action. In the remarks made by the Senator on the day named he also said:

But the reputation and the credit of the country are concerned in knowing whether at any time by any Secretary of the Treasury balances in the public accounts have been forced.

I agree with the Senator that the reputation and credit of the country are concerned in the matter of forcing balances in the public accounts, and it becomes a matter of moment to fix the responsibility, if such has been the case, where it properly belongs. In this connection I will state what is not generally known, but what is well known to the Senator from Massachusetts, [Mr. BOUTWELL,] that in November, 1871, while he was Secretary and during his administration, a letter, together with a statement of the public debt, prepared in the Secretary's Office, commencing with the year 1835 and ending with the year 1870, was sent to the Register, in which he was arbitrarily directed to make his statement of the public debt (to be sent to Congress) correspond to the one sent him, compelling him thereby, and by reason of the orders from the Secretary's Office to disregard the official data in his own office, the only true source from which he could make a statement of the public debt to Congress as required by law; and I now further state that the data and warrants in the Register's Office will not sustain the statement of the public debt he was compelled arbitrarily to make to Congress; and in order to make his statement of the public debt as made up from data in his office agree with the one sent him from the Secretary's Office, he was forced to make changes in the former statements of the public debt and increase it in the aggregate more than \$230,000,000.

I leave it with the Senator whether or not this was not forcing balances; and as to who did it, that question is answered.

And because such official attacks on the public accounts and statements and others I have mentioned were made under the administration of the Senator from Massachusetts while Secretary of the Treasury, and I have ventured in my humble way to bring them to the attention of the Senate and ask an investigation, it seems I have provoked his displeasure, and in his wrath he uses language that adds nothing to his reputation for politeness nor makes his official conduct clearer, and says that I cannot understand the public accounts; in reply to which I will only remark nobody else can since, as Secretary Bristow says, he remodeled them.

The Senator in effect acknowledged he made the changes that produced the confusion and discrepancies in the public accounts that had given rise to this and other discussions. This may be the reason that influenced him to vote against a special committee of investigation and for one of which he is a member and his party friends in the majority. But I submit it would have been more manly for him had he made the confession earlier and not waited until an Ex-Secretary of the Treasury, the Finance Committee, and others had fastened on him the fact that he was the cause of the changes, contradictions, and discrepancies that exist in the finance reports.

In support of the charge that balances have been forced and that the books of the Department will not support the "remodeled statements and reports" made to Congress, I submit an instance.

A few days ago I addressed a letter to the Commissioner of Pensions asking him to furnish me a statement showing the amount paid for pensions from 1860 to 1870, inclusive, to which he replied as follows:

DEPARTMENT OF THE INTERIOR, PENSION OFFICE.

Washington, D. C., July 25, 1876.

SIR: In compliance with your request of the 24th instant, I have the honor to transmit the inclosed table of the amount paid for Army and Navy pensions from 1860 to 1870 inclusive.

Inclosed is also the annual report of this office for the year 1865; the copies for the year 1864 are exhausted. Very respectfully, your obedient servant,

O. P. G. STARKE, Chief Clerk.

Hon. H. G. DAVIS, United States Senate.

Statement showing the total amount paid in each fiscal year for Army and Navy pensions from 1860 to 1870 inclusive.

1860.....	\$1,154,321 73	1867.....	18,681,711 79
1861.....	1,089,218 75	1868.....	24,079,403 18
1862*.....	800,819 94	1869.....	28,445,089 09
1863.....	1,044,364 47	1870.....	27,780,811 81
1864.....	4,521,622 18		
1865.....	8,542,885 27	Total for 11 years.....	129,391,228 38
1866.....	13,250,980 17		

* Pensioners in Southern States dropped.

These figures show beyond the possibility of a doubt that the books of the Pension Office do not agree with the Secretary's new table made in 1870, and, what is worse still, that in making this new table the pension expenditures were increased from 1860 to 1870 \$13,149,265.06 over and above what the books of the Pension Office show them to have been for those years.

In order that the difference between the books of the Pension Office and the finance report for 1870 may readily appear, I have prepared the following statement:

Statement showing the total amount paid in each fiscal year for Army and Navy pensions, as per finance report for 1870 and letter of the Commissioner of Pensions of July 25, 1876.

Years.	From Secretary's table, finance report of 1870, page 30.	From letter of Commissioner of Pensions.	Increase.	Decrease.
1860.....	\$1,100,802 32	\$1,154,321 73	.....	\$53,519 41
1861.....	1,034,599 73	1,089,218 75	.....	54,619 02
1862.....	852,170 47	800,819 94	\$51,350 53	.....
1863.....	1,078,513 36	1,044,364 47	34,148 89	.....
1864.....	4,985,473 90	4,521,622 18	463,851 72	.....
1865.....	16,347,621 34	8,542,885 27	7,804,736 07	.....
1866.....	15,605,549 88	13,250,980 17	2,354,569 71	.....
1867.....	20,936,551 71	18,681,711 79	2,254,839 92	.....
1868.....	23,728,386 78	24,079,403 18	.....	297,016 40
1869.....	28,476,621 78	28,445,089 09	31,532 69	.....
1870.....	28,340,202 17	27,780,811 81	559,390 36	.....
Total.....	142,540,493 44	129,391,228 38	13,554,419 89	405,154 83

Secretary's table, finance report for 1875.....	\$142,540,493 44	
Increase.....		\$13,554,419 89
Letter of Commissioner of Pensions, July 25, 1876	129,391,228 38	
Decrease.....		405,154 83

Difference or increase in Secretary's table 13,149,265 06 13,149,265 06

ADDITIONAL CHANGES AND ALTERATIONS.

I regret that the Finance Committee could not go to the Treasury Department and make a thorough examination for themselves, but were compelled to depend upon the Treasury officials for explanation and information in the premises, who failed to point out other discrepancies and differences besides those named by me which exist in the reports, among which are the following:

Pension expenditures.

Year.	Report for 1869.	Report for 1870.	Increase.
1846.....	\$1,809,739 62	\$1,811,097 56	\$1,357 94
1849.....	193,695 87	1,328,867 64	1,135,171 77
1859.....	161,190 66	1,222,222 71	1,061,032 05
Total increase.....			2,197,561 76

WAR EXPENDITURES.

Year.	Report for 1869.	Report for 1871.	Increase.
1844.....	\$5,192,445 05	\$5,218,183 66	\$25,738 61
1846.....	10,362,374 36	10,413,370 18	50,995 82
1847.....	35,776,495 72	35,840,030 33	63,534 61
1860.....	14,472,202 72	16,472,202 72	2,000,000 00
Total increase.....			2,140,269 04

EXPENDITURES IN INDIAN BUREAU.

Year.	Report for 1869.	Report for 1871.	Increase.
1848.....	\$1,103,251 78	\$1,252,296 81	\$149,045 03
1849.....	509,263 25	1,374,161 55	864,898 30
1854.....	1,413,995 08	1,550,339 55	136,344 47
1855.....	2,708,347 71	2,772,990 78	64,643 07
1856.....	2,596,465 92	2,644,263 97	47,798 05
1857.....	4,241,028 60	4,355,683 64	114,655 04
1862.....	2,223,402 27	2,327,948 37	104,546 10
1864.....	2,538,297 80	2,629,975 97	91,678 17
1865.....	4,966,964 90	5,059,360 71	92,395 81
1866.....	3,247,064 56	3,295,729 32	48,664 76
Total increase.....			1,614,668 80

Statement showing total receipts as stated for the same year.

Year.	Report for 1869.	Report for 1871.	Decrease.
1837.....	\$27,947,142 19	\$27,883,853 84	\$63,288 35
1840.....	25,069,662 84	25,032,193 50	37,469 34
1847.....	55,401,804 58	55,338,168 52	63,636 06
1848.....	57,006,889 65	56,992,479 21	14,410 44
1850.....	47,669,766 75	47,649,388 88	20,377 87
1853.....	61,803,404 58	61,500,102 81	303,301 77
1859.....	81,773,965 64	81,758,557 30	15,408 34
Total decrease.....			517,892 17

Miscellaneous receipts.

Year.	Report for 1869.	Report for 1871.	Decrease.
1837.....	\$5,625,479 15	\$5,562,190 80	\$63,288 35
1848.....	627,021 13	577,775 99	49,245 14

In the remarks I made pending the passage of the resolution to appoint a special committee, I used the following language:

Now, it is a fact that in 1871 there was a wholesale change in figures, running back thirty or forty years in the table of the Register, and altering the amounts, which in some instances had been fixed, closed, and reported to Congress for twenty or thirty years. This change and alteration of figures increased the public debt in the aggregate \$247,766,674.71.

Notwithstanding this charge, important and alarming as it is, giving the exact figures, yet the Treasury Department and the Finance Committee in their report made no reference to it whatever.

In support of it I now submit the following statement of the public debt from 1835 to 1871, as appears in the finance reports for 1870 and previous reports, and 1871 and subsequent reports, showing the difference in each year and the total difference between the two reports. (See pages 12 and 368 finance report for 1871, and page 276 finance report for 1870.)

Year.	Report of 1870.	Report of 1871.	Increase in report of 1871 over 1870.	Decrease.
1835.....	\$351,289 05	\$37,513 05		\$313,776 00
1836.....	291,089 05	336,957 83	\$45,868 78	
1837.....	1,878,223 55	3,308,124 07	1,429,900 52	
1838.....	4,857,660 46	10,434,221 14	5,576,560 68	
1839.....	11,983,737 53	3,573,343 82		8,410,393 71
1840.....	5,125,077 63	5,250,875 54	125,797 91	
1841.....	6,737,398 00	13,594,480 73	6,857,082 73	
1842.....	15,028,486 37	20,601,226 28	5,572,739 91	
1843.....	27,203,450 69	32,742,922 00	5,539,471 31	
1844.....	24,748,188 23	23,461,652 50		1,286,535 73
1845.....	17,093,794 80	15,925,303 01		1,168,491 79
1846.....	16,750,926 33	15,550,202 97		1,200,723 36
1847.....	38,956,623 38	38,826,534 77		130,088 61
1848.....	48,526,379 37	47,044,862 23		1,481,517 14
1849.....	64,704,693 71	63,061,858 69		1,642,835 02
1850.....	64,228,238 37	63,452,773 55		775,464 82
1851.....	62,560,395 26	68,304,796 02	5,744,400 76	
1852.....	65,131,692 13	66,199,341 71	1,067,649 58	
1853.....	67,340,628 78	59,803,117 70		7,537,511 08
1854.....	47,242,206 05	42,242,222 42		4,999,983 63
1855.....	39,969,731 05	35,586,956 56		4,382,774 49
1856.....	30,963,909 64	31,972,537 90	1,008,628 26	
1857.....	29,060,386 90	28,699,831 85		360,555 05
1858.....	44,910,777 66	44,911,881 03	1,103 37	
1859.....	58,745,699 33	58,496,837 88		257,861 45
1860.....	64,769,703 08	64,842,287 88	72,584 80	
1861.....	90,867,828 68	90,580,873 72		286,954 96
1862.....	514,211,371 92	524,176,412 13	9,965,040 21	
1863.....	1,098,793,181 37	1,119,772,133 63	20,978,957 26	
1864.....	1,740,690,489 49	1,815,784,370 57	75,093,881 68	
1865.....	2,682,593,026 53	2,680,647,869 74		1,945,156 79
1866.....	2,783,425,879 21	2,773,236,173 69		10,189,705 52
1867.....	2,692,199,215 12	2,678,126,103 87		14,073,111 25
1868.....	2,636,320,964 67	2,611,687,851 19		24,633,113 48
1869.....	2,489,002,480 58	2,588,452,213 94	99,449,733 36	
1870.....	2,386,358,599 74	2,480,672,427 81	94,313,828 07	
Total.....			332,843,228 59	85,076,553 88
Decrease.....			85,076,553 88	
Increase.....			247,766,674 71	

RECAPITULATION.

Report of 1871.....	\$20,221,399,098 42
Report of 1870.....	19,973,622,423 71
Increase in report of 1871 over 1870.....	247,766,674 71

Which proves my allegation; and I now state that the changes and differences pointed out in the above table were made not only as the reports show but as evidence in the Treasury Department will establish. It is a fact that by reason of these changes and differences from 1835 to 1860 the public debt was decreased about \$1,000,000, but from 1860 to 1870 it was increased more than \$248,000,000. These changes were not only made under a republican administration, but, strange to say, all of the increase, amounting as before stated to more than \$248,000,000, occurred beginning with 1860 and during republican rule. Now, why these changes were made, by what authority, and what became of this large sum of money are pertinent inquiries which neither the Senator from Massachusetts, the Treasury Department, nor the Finance Committee have as yet answered. I am aware that the Finance Committee have had but little time, owing to other official duties, to devote to this matter, and this may in part account for the imperfect report they have made. It was argued during the pendency of the resolution I introduced, by members of the Finance Committee, myself, and others, that the Finance Committee could not properly do the duty for want of time, and for this reason a special committee should have been appointed, and I now state had this been done not only the above inquiries would have been answered, but much other important information brought to light. The Senate ought not and the country will not be satisfied with this report, and I hope the day is not far distant when a special committee will be appointed to examine the accounts and reports of the Treasury Department.

I have selected these additional examples of discrepancies and alterations from the many that exist in the official finance reports which the Treasury Department and Finance Committee have failed to notice, and they remain yet to be explained if explanation should be possible.

It will be observed that in this discussion I have not referred to the great differences that exist between the accounts of the Register and Treasurer, as also to the bond account, the account of issue and redemption, commissions and interests paid, nor to the currency account, for the reason that to do so intelligently would require a thorough examination of the books and accounts of the Treasury Department.

CONCLUSIONS.

In conclusion, it is admitted by the officials of the Treasury Department, the Ex-Secretary, and the Finance Committee, in the report under consideration: First. That the numerous changes, alterations, differences, and discrepancies in the official finance reports pointed out by myself do exist, and were made by the present Administration. Second. That the figures I have cited are all correctly drawn from the reports, and that by reason of these changes, differences, and discrepancies the receipts of the Government have been decreased, the expenditures largely increased, and since 1860 the public debt has been increased in the aggregate more than two hundred millions; and in the face of these admissions we are told the books of the Treasury Department have not been changed. Third. In addition to these admissions, I now state, and it can be proven, that in 1871 written instructions were sent from the Secretary's office to the Register, the official book-keeper of the Government, directing him to make his annual statements to Congress correspond with a table prepared in the Secretary's office and sent with said instructions. Fourth. I further state that the warrants and books in the Register's Office will not sustain and agree with the annual official reports made to Congress. Fifth. The only changes and alterations ever made in the official reports to Congress, after being submitted, were made between the years 1869 and 1871. Sixth. I fully believe that if the Register and Treasurer should be officially called upon they would say that between 1869 and 1871 there were changes and alterations of figures in the Treasury Department which decreased the revenue and largely increased the expenditures and the public debt, especially if compared with official annual reports to Congress. Seventh. There must have been an object or motive that caused the Treasury officials to make the many changes and alterations I have at different times pointed out. I leave it to, and it is the duty of, those who made them to answer why they changed figures and reports that had stood and been accepted as correct in some instances thirty or forty years.